

The Challenge

A prosperous, democratic, and stable Latin America and Caribbean (LAC) is vitally important to U.S. national security. Though LAC has made important achievements, major challenges remain. Weak institutions, poor public services, widespread corruption and rising crime undermine public trust in democracy. Notwithstanding recent gross domestic product improvements, high unemployment, extreme income inequality and poverty persist, all contributing to popular discontent with governments. The average education in LAC is only six years which constrains investment and workforce productivity. Public education is of poor quality, inefficient and highly inequitable. HIV/AIDS is increasing, and the impressive health gains registered in many countries have yet to reach the poor, indigenous groups and rural populations. Further, the adverse trends in regional deforestation and increasing loss of biological diversity present a profound challenge to economic prosperity and democratic stability.

Objectives, Sectors and Workforce

Assistant Administrator: Adolfo Franco

Program Budget (Appropriations by Objective)

Program Budget (Appropriations by Objective)	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07	2005 SO Performance Score		Direct SO Admin. Cost Ratio
598-005 Regional Democracy Initiatives	4,971	2,186	3,059	0	N/A	0.99	Met	0.16
598-017 Market Access	3,067	1,325	1,980	0	N/A	0.98	Met	0.35
598-018 U.S.-LAC Environmental Partnership	646	263	0	0	N/A	1.00	Met	0.74
598-020 Program Development and Learning	5,738	815	1,363	0	N/A			0.18
598-021 Special Development Opportunities	12,825	35,199	46,035	35,095	173.6%			0.00
598-022 Conservation of Biological Resources	9,682	16,000	13,831	10,935	12.9%	1.07	Met	0.04
598-023 Improve Equity and Quality of Education	16,985	14,727	19,146	0	N/A	1.15	Exceeded	0.04
598-024 Health Advancement	7,926	10,366	9,164	0	N/A	1.02	Met	0.07
598-www Democracy	0	0	0	2,326	N/A	N/A		N/A
598-xxx Improved Public Health	0	0	0	8,480	N/A	N/A		N/A
598-yyy Economic Prosperity	0	0	0	1,000	N/A	N/A		N/A
598-zzz Education	0	0	0	12,454	N/A	N/A		N/A
Transfer to Other US Government Agency	4,005	0	0	0	N/A	N/A		N/A
Country Total	65,845	80,881	94,578	70,290	6.8%			

Program Budget (Appropriations by Account)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Child Survival and Health Programs Fund	12,687	11,478	9,735	8,480	-33.2%
Development Assistance	40,696	42,667	61,083	36,715	-9.8%
Economic Support Fund	12,462	26,736	23,760	25,095	101.4%
Total	65,845	80,881	94,578	70,290	6.8%

Program Budget by Sector and Account

		FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Basic Education	DA	11,035	10,178	12,389	6,454	-41.5%
Agriculture and Environment	DA	14,003	22,057	22,816	14,935	6.7%
	ESF	50	0	0	0	N/A
Higher Education & Training	DA	6,000	5,727	6,757	6,000	0.0%
Economic Growth	DA	4,350	1,000	9,726	6,000	37.9%
	ESF	6,941	21,328	16,800	20,000	188.1%
Human Rights	DA	830	1,080	0	0	N/A
Democracy and Governance	DA	4,478	2,625	9,395	3,326	-25.7%
	ESF	5,471	5,408	6,960	5,095	-6.9%
Family Planning / Reproductive Health	CSH	1,965	3,079	1,733	1,367	-30.4%
HIV / AIDS	CSH	367	744	809	509	38.7%
Child Survival and Maternal Health	CSH	2,905	2,619	2,475	2,475	-14.8%
Vulnerable Children	CSH	0	170	0	0	N/A
Other Infectious Diseases	CSH	7,450	4,866	4,718	4,129	-44.6%
Total		65,845	80,881	94,578	70,290	6.8%

Workforce

	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	11	11	14	15	36.4%
US Non Direct Hires	10	14	14	12	20.0%
Foreign Nationals	0	0	0	0	N/A
Total	21	25	28	27	28.6%

Operating Unit Summary

	FY 2004	FY 2005	FY 2006	FY 2007
Program per US Direct Hire (\$000)	5,986	7,353	6,756	4,686
Program per All US (\$000)	3,135	3,235	3,378	2,603
Program per Position (\$000)	3,135	3,235	3,378	2,603

Other Major Donors:

Multilateral: World Bank, Inter-American Development Bank, Organization of American States, Pan American Health Organization, and other regional and international organizations including non-governmental organizations, foundations and the private sector.